

Minutes of Regular Meeting of October 25, 2011

CALL TO ORDER 7:30 P.M.

ROLL CALL

COUNCILMEMBERS PRESENT: Feierbach, Lieberman, Wozniak, Warden, Braunstein

COUNCILMEMBERS ABSENT: None

Staff Present: City Manager Scoles, City Attorney Rennie, Police Chief Mattei, Community Development Director de Melo, Public Works Director Oskoui, Human Resources Director Dino, Parks and Recreation Director Gervais, Finance Director Fil, Assistant Finance Director Lazzari, Police Captain DeSmidt, School Resource Officer Moniot, City Treasurer Violet, City Clerk Cook

PLEDGE OF ALLEGIANCE

Led by City Attorney Rennie

SPECIAL PRESENTATIONS

Presentation to Winners of Red Ribbon Week Poster Contest

School Resource Officer Moniot provided a background of the Red Ribbon Week Campaign, which encourages young people to say no to drugs. He noted that students in the elementary and middle schools were invited to participate in a poster competition this year using the theme "It's up to me to be drug free". He and Chief Mattei introduced the poster winners and presented them with certificates of appreciation.

PUBLIC COMMENTS AND ANNOUNCEMENTS

Stephanie Biehl, Notre Dame de Namur University Student Body President, expressed her appreciation to those who participated in and who attended the recent candidate forum held on the Notre Dame de Namur campus.

Andrew Ness, San Francisco resident, explained that he is a bicycle commuter who uses Cal Train to the Belmont station. He noted that at a Council meeting in August there was an item to prohibit parking in the eastbound bicycle lane on Masonic that was tabled and referred to the Parking Traffic Safety Committee. He stated that allowing parking in a designated bicycle lane is a hazard. He noted that there has not been a Committee meeting since that time and the matter has not yet been returned to the City Council for approval.

Public Works Director Oskoui stated that the Parking Traffic Safety Committee (PTSC) did not meet in September due to lack of other agenda items and problems with room scheduling. He noted that there are no viable options for the adjacent businesses relative to parking in the bicycle lane. He clarified that this matter would be heard at the November 3rd PTSC meeting.

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Mayor Feierbach suggested re-agendizing the item for the next City Council meeting.

Councilmember Wozniak stated that she had understood that staff would meet with the business owners to explore alternatives.

Councilmember Warden stated that the adjacent business owners are aware of the pending red curb.

Jana Gibbs, Notre Dame de Namur University Student Body Secretary, invited people to participate in a benefit concert on November 11th which is intended to fund a Christmas For The Troops program. She noted that people could sign up to perform or to display art.

Perry Kennan, Belmont resident, stated that there are no provisions in the Comcast franchise agreement that protects the rights of residents. He noted that Channel 17 was removed from the list of basic channels due to the fact that it is now broadcast digitally. He stated that Comcast has a monopoly and there is a need for a better definition in the franchise agreement of what constitutes a basic package.

Giovonni Doursseau, Notre Dame de Namur University student, explained the University's Thanksgiving in the Park event wherein the students will feed the homeless at Golden Gate Park. He also commented regarding his participation with the Bonnar Foundation on the University campus, which is addressing environmental and sustainability issues for the University and the Belmont community. He noted that the University was recognized by a Presidential award for community service, and he pledged ongoing commitment to that service.

Councilmember Wozniak suggested that NDNU students could become involved with the Green Advisory Committee.

Alan Sarver, Save the Music Festival, provided an overview of the recent Festival held in Twin Pines Park. He also announced an upcoming program at the Carlmont High School Performing Arts Center, and noted that a number of organizations are using the facility on a regular basis.

COUNCIL MEMBER COMMENTS AND ANNOUNCEMENTS

Councilmember Lieberman commented regarding some of the statistics provided in the recent San Mateo County Library Annual Report. He commended the Friends of the Belmont Library for raising \$50,000 during the past year. He noted that the Belmont Library has more daily visitors and circulates more items than larger libraries in the County.

Mayor Feierbach noted that the City of Belmont is celebrating 85 years since incorporation on October 26, 1926. She announced that the Parks and Recreation Department would be hosting a Halloween event on October 30th at Twin Pines Park. She stated that due to Election Day, the next City Council meeting would be held on Wednesday, November 9th. She announced the ribbon cutting for the Bike/Pedestrian Bridge on Saturday, November 19th. She stated that two second grade

classes from Nesbit School recently toured City Hall and participated in a mock City Council meeting.

CONSENT CALENDAR

Approval of Minutes of Special and Regular Meeting of September 27, 2011 and Special and Regular Meeting of October 11, 2011

Approval of Resolution 10432 Authorizing a Professional Services Agreement Amendment #4 with Michael Brown Consulting Engineers, LLC to Provide Assistance Relating to the Recology Solid Waste Franchise and Related Rates for an Amount not to Exceed \$11,500

Approval of Resolution 10433 Authorizing a Purchase Order to Automatic Door Systems for the Installation of Power Activated Door Openers to the Front Doors of City Hall in the Amount of \$5,912 with a 10% Contingency in the Amount of \$591

Acceptance of Informational Report for the U.S. Highway 101 Pedestrian/Bicycle Bridge Project, City Contract 433

Approval of Resolution 10434 Authorizing a Purchase Order for Unleaded Gasoline and Diesel Fuel from Olympian Oil Company for an Amount not to Exceed \$25,000

Approval of Resolution 10435 Accepting a Grant Deed from Robert C. Nellis, Successor of the Ruth v. Nellis Trust, for Real Property Consisting of One Legal Parcel on Belmont Canyon Road (APN 043-211-240)

ACTION: On a motion by Councilmember Braunstein, seconded by Councilmember Warden, the Consent Agenda was unanimously approved by a show of hands.

HEARINGS

Resolution of Intention and First Reading of an Ordinance to Amend the Contract Between the City of Belmont and the California Public Employees' Retirement System to provide a Second Retirement Plan Tier Of 3% @ 55 For Safety Members

Human Resource Director Dino explained that these actions will enable the process to amend the contract between the City of Belmont and the California Public Employees Retirement System (PERS) to provide for the 3% at 55 formula as authorized by the newly adopted Memorandum of Understanding between the City and the Belmont Police Officers Association. She explained the second tier structure that would affect those employees hired after January 1, 2012.

Human Resource Director Dino noted that PERS rates have risen, especially for safety employees. She explained that this new tier will provide for a reduction of the City's liability and costs as the number of employees under the 3% at 50 formula decreases, and the number under the new formula increases.

Mayor Feierbach explained that the amount set for retirees under this formula means three percent multiplied by the number of years multiplied by the salary. Councilmember Wozniak further clarified that under the second tier, the salary used is the average of the three highest years of salary as

opposed to one year of the highest salary.

Mayor Feierbach opened the Public Hearing.

Perry Kennan, Belmont resident, stated that the staff report lacked detail. He commented that it likely was not known how expensive the 3% at 50 formula would be when it was initially implemented in 2005, and the Cal PERS investment account has been declining since that time. He questioned how much of the PERS contribution is made towards retroactive adjustments for those employees remaining under the 3% at 50 formula. He commented that there should be equal pay for equal work, which does not exist under the new two-tier system.

Marilyn Oliver, Actuarial Consultant, explained the composition of the long-term costs for PERS retirement, which include payments towards unfunded liabilities. She explained that the net difference between the 3% at 50 formula and 3% at 55 formula reduces the overall rate by 2.5% of payroll. She clarified that surcharges apply in the 3% at 50 formula because of the need to average three years worth of salaries, but that there is no surcharge under the 3% at 55 formula, as there is no averaging to be performed. She noted that the annual charge for 3% at 50 is 18.2 percent, and the annual charge for 3% at 55 is 15.7 percent. She further explained that portions of the City's contribution rate are to pay for unfunded liabilities, and those portions will continue to be payable by the City until those liabilities are paid off.

In response to Council questions, Ms. Oliver clarified that the 3% at 50 was a retroactive benefit when it was implemented, and the contribution to pay that off is a little over 10 percent of payroll. She noted that a side fund that was created to pay back the liability provides for a 12-year payoff schedule.

Councilmember Warden noted that the City is paying annually for the retroactive benefit even though it is considered an unfunded liability.

ACTION: On a motion by Councilmember Warden, seconded by Councilmember Braunstein, the Public Hearing was unanimously closed by a show of hands.

ACTION: On a motion by Councilmember Wozniak, seconded by Councilmember Warden, Resolution 10436 of Intention of the City of Belmont Authorizing an Amendment to the Contract Between the California Public Employees' Retirement System and the City of Belmont was unanimously approved by a show of hands.

ACTION: On a motion by Councilmember Warden, seconded by Councilmember Wozniak, and unanimously approved by a show of hands to introduce an ordinance Amending the Contract Between the City of Belmont and the California Public Employees' Retirement System to provide a Second Retirement Plan Tier of 3% at 55 for Safety Members, to waive further reading, and to set the second reading and adoption for November 22, 2011.

COMMISSION, COMMITTEE, AND COUNCIL INTERGOVERNMENTAL ASSIGNMENT UPDATES, AND STAFF ITEMS

Financial Reports and Audit Recommendations, June 30, 2011

City Treasurer Violet explained the structure of the Audit Committee, and noted that it provides an independent review and oversight of the City's finances. He outlined the various reports that make up the Audit Report, and noted that they are available to the public at posted on the web. He stated that the Audit Report is also made available to bond holders and rating agencies. He noted that the auditor has the ability to candidly discuss any issues with the Committee relative to procedures or findings.

City Treasurer Violet stated that the City has a \$3.8 million ending fund balance.

City Treasurer Violet described the work performed by the independent auditor. He described the four issues that were found to meet the definition of significant deficiency, and clarified that those items were not serious. He outlined how staff is addressing the four issues. No material weaknesses were identified.

City Treasurer Violet explained that an outside expert was hired on retainer when the Audit Committee was formed. He clarified that the Committee no longer feels the need to continue with that retainer, which reduces the cost for the audit. He noted that the City has received an unqualified opinion relative to the Audit, which is the highest level of financial assurance.

City Treasurer Violet stated that the Audit Committee has expressed its concern regarding the uncertainty and fiscal impact of ABX26 and ABX27 on the Redevelopment Agency. He explained that a note will appear in the report to that effect, and he clarified that other cities will be including similar verbiage in their audit reports.

City Treasurer Violet expressed his appreciation to staff for providing the information for the Audit. He noted that the independent auditor noted the efforts of a lean staff, and expressed concern regarding their workload.

George Burgess, Belmont Chamber of Commerce, commended the City for receiving an unqualified opinion. In response to his questions, City Treasurer Violet clarified that unfunded liabilities are included in the Audit Report, and there was no recommendation to hire an actuary.

ACTION: On a motion by Councilmember Lieberman, seconded by Councilmember Warden, the June 30, 2011 Audit Report was unanimously accepted by a show of hands.

Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments

Councilmember Lieberman noted that a leak was detected in a pipe at the South Bayside System Authority (SBSA) sewage treatment plant following the recent earthquake. He noted that the fluid was tested and found to be treated effluent. He explained that the SBSA management declared an emergency in order to immediately address the situation. He advised that the pipe is likely to be replaced as part of the capital improvement project that is currently under way.

Verbal Report from City Manager

City Manager Scoles announced an upcoming meeting with the Neighborhood Association Presidents. He noted that the next City Council meeting would be held on Wednesday, November 9th due to the election the previous day. He announced the Bike/Pedestrian Bridge ribbon cutting on November 19th. He stated that he received a communication from Notre Dame de Namur University (NDNU) regarding the payments for the new 50-year lease of the Waterdog Lake property. He noted that due to an accounting issue, the University would prefer to continue to receive annual lease payments rather than receiving it in one lump sum.

In response to Councilmember Wozniak, City Manager Scoles stated that no information is available yet on sales tax receipts for the first quarter of the fiscal year. He noted that the financial situation is better than last year, and that property tax receipts are even, and sales tax receipts are down. Finance Director Fil clarified that the last half of the previous fiscal year had improved, but that a recent report indicated a downturn, which is a concern.

Councilmember Braunstein noted an upcoming Notre Dame de Namur University Advisory meeting on October 26th.

Councilmember Wozniak announced that the Hispanic Chamber of Commerce would be bestowing a Diversity Award to Judith Greig, President of NDNU.

ADJOURNMENT at this time, being 9:18 P.M.

**Terri Cook
City Clerk**

Meeting Tape Recorded and Videotaped
Audio Recording 800